

VZCZCXRO4143
PP RUEHGR
DE RUEHWN #0475 1131959
ZNR UUUUU ZZH
P 231959Z APR 07
FM AMEMBASSY BRIDGETOWN
TO RUEATRS/DEPT OF TREASURY WASHDC PRIORITY
RUEHC/SECSTATE WASHDC PRIORITY 4576
INFO RUEHGR/AMEMBASSY GRENADA 0247

UNCLAS BRIDGETOWN 000475

SIPDIS

SENSITIVE
SIPDIS

TREASURY FOR IRS
STATE FOR WHA/CAR

E.O. 12958: N/A
TAGS: [ECON](#) [EFIN](#) [PREL](#) [ST](#) [XL](#)
SUBJECT: NOTIFICATION OF TIEA INVALIDITY DELIVERED TO ST.
LUCIA

REF: A. BRIDGETOWN 286
[1](#)B. BRIDGETOWN 195
[1](#)C. 06 STATE 204037

[1](#)1. (SBU) Per refs A and B, Ambassador and DCM warned PM John Compton in separate meetings in February that St. Lucia was at risk of losing its "convention benefit" under U.S. tax law.

[1](#)2. (U) On April 16, 2007, post notified the government of St. Lucia formally via Diplomatic Note #0302 of the IRS finding that St. Lucia no longer qualifies for the "convention benefit" under the Tax Information Exchange Agreement (TIEA). Post also delivered Section 274(h) of the U.S. Internal Revenue Code to the Ministry of External Affairs, International Financial Services, Information and Broadcasting under cover of the same Diplomatic Note.

[1](#)3. (U) Post will report any responses.
GILROY